

ALARF: MCG -- No. 316222

Category **General Government**
 Agency **Management and Budget**
 Planning Area **Countywide**
 Relocation Impact **None**

Date Last Modified
 Previous PDF Page Number
 Required Adequate Public Facility

April 20, 2004
 9-34(03 App)
 NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY03	Est. FY04	Total 6 Years	FY05	FY06	FY07	FY08	FY09	FY10	Beyond 6 Years
Planning, Design and Supervision	7,492	7,492	0	0	0	0	0	0	0	0	0
Land	56,456	24,760	7,696	24,000	4,000	4,000	4,000	4,000	4,000	4,000	0
Site Improvements and Utilities	108	108	0	0	0	0	0	0	0	0	0
Construction	740	740	0	0	0	0	0	0	0	0	0
Other	16	16	0	0	0	0	0	0	0	0	0
Total	64,812	33,116	7,696	24,000	4,000	4,000	4,000	4,000	4,000	4,000	*

FUNDING SCHEDULE (\$000)

PAYGO	24,591	24,591	0	0	0	0	0	0	0	0	0
Revolving Fund - G.O. Bonds	31,952	482	7,470	24,000	4,000	4,000	4,000	4,000	4,000	4,000	0
Land Sale	3,719	3,719	0	0	0	0	0	0	0	0	0
State Aid	4,470	4,244	226	0	0	0	0	0	0	0	0
Rental Income - General	80	80	0	0	0	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

The Advance Land Acquisition Revolving Fund [ALARF] was established to support the implementation of capital project and facility programs in the County. Acquisition of land in advance of actual construction saves money in the face of rising land prices and enables suitable locations for libraries, fire stations, and similar facilities to be secured before development eliminates choice and forces acceptance of a less accessible or desirable site. The revolving fund works in the following way: the unencumbered revolving appropriation balance in the fund is used to purchase land for various public facilities which are either approved in the capital program or which appear in adopted area master plans. Later, the fund is reimbursed by appropriations to the specific facility project accounts; then, the associated expenditures are transferred from the ALARF project to the facility project, thereby freeing up the appropriation for future expenditures. The reimbursement is desirable for accounting purposes in order to make the cost of the site clearly a part of the total cost of a specific project. Reimbursement also maintains the balance in the revolving fund. A number of such reimbursements are scheduled in this capital program. Cost estimates are not given for possible acquisitions since any estimates would be speculative. Immediately prior to initiating acquisition proceedings on any site, independent professional appraisals are prepared. When projected land costs appear to be considerably greater than anticipated, consultation with the County Council is useful. In the event the County Executive proceeds with advance land acquisition in years before those shown on project description forms, consultation with Council would be useful. The cumulative appropriation is the amount of the revolving fund, as well as certain special appropriations to this project as described below. Costs shown for prior years include the land acquisition reimbursable to the fund and other charges incurred in site selection, such as appraisal, legal costs, and other required actions. Also displayed are expenditures associated with special appropriations, not to be reimbursed. The nonreimbursable amounts are considered sunk costs. Expenditures portrayed above in FY05-10 are for fiscal planning purposes only and represent land acquisition not shown on applicable individual CIP project description forms in order to preserve confidentiality of estimates and negotiations with landowners. ALARF acquisitions are typically reimbursed by appropriations from projects with various revenue sources.

OTHER

Expenditures to buy land using ALARF appropriations made after October 5, 1998, must be reimbursed to the Fund. If the County does not intend to reimburse the Fund, then the land cannot be purchased from the Fund's appropriation and must be purchased in a separate project. This restriction does not apply to land already purchased, nor land to be purchased from the remaining Silver Spring Redevelopment appropriation existing on October 5, 1998.

*Expenditures will continue indefinitely.

FISCAL NOTE

The cumulative revolving appropriation is \$7.78 million of the total cumulative appropriation of \$40.8 million. A special appropriation was added to this project, because projected acquisition costs were well in excess of available revolving fund appropriations. This appropriation was for Silver Spring Redevelopment [\$33.05 million] and is not intended to be repaid into the revolving fund of \$7.78 million. Land and related expenditures are also shown, for illustrative purposes, in the Silver Spring Redevelopment project. The source of funds for the Silver Spring appropriation is general obligation bonds with PAYGO substitution through FY03 of \$32.6 million; land sale proceeds; State aid; and rental income.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY62	(\$000)
Initial Cost Estimate		6,000
First Cost Estimate		
Current Scope	FY88	28,341
Last FY's Cost Estimate		64,825
Present Cost Estimate		64,812
Appropriation Request	FY05	0
Appropriation Request Est.	FY06	0
Supplemental		
Appropriation Request	FY04	0
Transfer		0
Cumulative Appropriation		40,812
Expenditures/		
Encumbrances		33,127
Unencumbered Balance		7,685
Partial Closeout Thru	FY02	221
New Partial Closeout	FY03	13
Total Partial Closeout		234

COORDINATION

Department of Public Works and Transportation
 Other Departments
 Office of Management and Budget
 Department of Finance
 Silver Spring Redevelopment Program
 Silver Circle Garage (#60)
 Silver Theatre

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

MAP

